



UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
NEW YORK REGIONAL OFFICE  
200 VESEY STREET, SUITE 400  
NEW YORK, NY 10281-1022

January 29, 2016

**Via Email to SullivanNYSDChambers@nysd.uscourts.gov and ECF**

Hon. Richard J. Sullivan  
United States District Judge  
United States District Court  
Southern District of New York  
40 Foley Square, Room 2104  
New York, New York 10007

**Re: SEC v. Zachary Zwerko and David L. Post (14-cv-8181-RJS)**

Dear Judge Sullivan:

We represent the Plaintiff, Securities and Exchange Commission (the "Commission"), in this action. We write in response to the Court's January 30, 2015 Order staying this matter pending resolution of the parallel criminal action (United States v. Post, et ano., 14-cr-715-AKH), which is now resolved, and November 25, 2015 Order by Memo Endorsement, which "So Ordered" our undertaking to provide a status report by January 29, 2016 (Docket Entries 12, 25). As last reported, the Defendants and the staff of the Division of Enforcement have reached an agreement in principle as to settlement terms. The staff has proposed that the Commission accept the terms through a formal recommendation process, which will be considered by the Commission in its normal course within the next thirty days. Accordingly, the parties will further update the Court as to status no later than 30 days from today.

If the Court has any further questions, the parties are available for a conference.

Respectfully submitted,

s/ Dominick D. Barbieri

Charles D. Riely  
Dominick D. Barbieri

Hon. Richard J. Sullivan

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